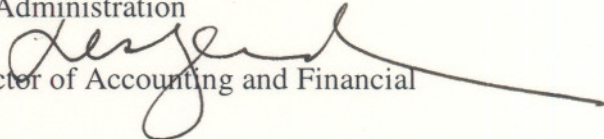




**JUL - 3 2006**

**ITA ACCOUNTING MEMORANDUM 2006 - 14**

**MEMORANDUM FOR:** International Trade Administration

**FROM:** Leslie Hyland, Director of Accounting and Financial Systems 

**SUBJECT:** Revised Financial Procedures for Processing Travel Documents for Permanent Change of Station Transfers Involving Overseas Posts

The purpose of this memorandum is to prescribe procedures for processing travel documents for permanent change of station (PCS) transfers between the United States and overseas posts and between overseas posts.

The Department of State's implementation of a new module for the shipment of household goods as part of the Integrated Logistics Management System (ILMS) has resulted in a change in invoicing procedures. Currently, ILMS encompasses only the shipment of household goods from the United States to overseas posts. ILMS does not apply to transfers between overseas posts or transfers from overseas posts to the United States.

**PCS Transfers from the United States to Overseas Posts**

Previously, invoices from multiple vendors involved in the various aspects of the household goods shipping process, e.g., transportation, storage, handling, etc., were forwarded to ITA (c/o the National Business Center) for payment or, in some cases, to a post. Under ILMS, a single charge will be computed for all costs related to the shipment of household goods from point of origin to the point of disembarkation. The gaining post will be billed for the ILMS charge.

In addition, vendors will continue to invoice individually for costs incurred for the shipment of household goods from the point of disembarkation, e.g., storage, local delivery, etc. to the transferee's final destination. These costs will also be paid by post with post-held funds.

**PCS Transfers from Overseas Posts to the United States and between Overseas Posts**

Because ILMS does not apply to the shipment of household goods for PCS transfers between overseas posts or transfers from overseas posts to the United States, vendors will





continue to render invoices for the various cost components of the shipment of household goods from point of origin to final destination. These invoices will continue to be processed in the same manner as is done currently.

### **Vendor Invoice and Transferee Claim Payment Processes**

The current vendor invoice and transferee claim payment processes need to be simplified and streamlined. Further, related internal controls need to be strengthened. Changes will be implemented on a phased basis:

- For the time being, all vendor invoices and transferee claims will be paid by post or NBC with Washington-held funds.
- Effective October 1, 2006, the following procedures for processing vendor invoices and transferee claims will apply:
  - Regardless of the transferee's origin or destination, all vendor invoices and ILMS bills, should be sent to and paid by an overseas post using post-held funds. In the case of a transfer between overseas posts, vendor invoices should be sent to, and paid by, the gaining post using its post-held funds.
  - All claims of transferees for reimbursement of PCS-related expenses, e.g., lodging, per diem, etc., should be forwarded to ITA (c/o the National Business Center) for payment using Washington-held funds.

We recognize that there may be exceptions to these procedures for unique circumstances, such as the overseas purchase of airlines tickets. However, these instances should be the exception rather than the rule.

Under this arrangement, a PCS travel order (Form CD-29) and an assignment cable must separately identify (1) estimated vendor costs (including ILMS costs, where applicable) that will be paid by the servicing Department of State Financial Management Office (FMO) using post-held funds and (2) estimated claims of transferees for reimbursement that will be paid by ITA (c/o the National Business Center) using Washington-held funds.



## **Travel Order and Assignment Cable Preparation**

Both a travel order and an assignment cable are required for overseas PCS transfers. The assignment cable will serve to allot funds to a post for the obligation and payment of vendor invoices for PCS costs. The travel order is needed to support ITA accounting while the assignment cable is needed to support Department of State accounting. Because both documents require the same information, the sections that follow address preparation of the PCS travel order, but apply as well to the preparation of the assignment cable.

In preparing a travel order for a PCS transfer involving an overseas post, the Office of Foreign Service Human Resources (OFSHR) should:

- Enter the following lines in Block 9. Accounting Classification Code:
  - State Dept. Processing: (amount)
  - ITA – NBC Processing: (amount)

The amount in the first line should be the estimated total costs to be invoiced by vendors and paid by the Department of State. The amount in the second line should be the estimated total costs to be claimed by the transferee and paid by ITA (c/o the National Business Center).

The Office of Financial Management (OFM), Accounting and Financial Systems, will provide the accounting codes to complete both lines.

- Enter the following two lines in Block 14. Special Provisions/Remarks:
  - ITA – NBC Processed BOCs:
  - State Dept. Processed BOCs:

In addition, OFSHR should enter, "Post to use ITA-designated travel order number." OFM/Accounting and Financial Systems will assign the travel order number.

A sample travel order showing completed Blocks 9 and 14 is attached.

Using the travel order as a basis, OFSHR should prepare an assignment cable that will serve to allot funds to a post for the obligation and payment of vendor invoices (second line in Block 9. Accounting Classification Code, of the travel order).



- OFSHR should send a draft of the travel order to Vanessa Barksdale, OFM/Accounting and Financial Systems, Room 4113, HCHB, who will (1) add the accounting codes to both lines in Block 9, Accounting Classification Code, (2) add the travel order number in Block 2. Travel Order No., (3) review the draft travel order for completeness, and (4) return it to OFSHR. In turn, OFSHR should enter the same travel order number and accounting codes into the assignment cable.
- OFSHR should enter the final travel order and the assignment cable concurrently into the clearance process. When the travel order is ready to be submitted to the Deputy Assistant Secretary for final approval, OFSHR should send the assignment cable to Vanessa Barksdale (see above). When the Deputy Assistant Secretary approves the travel order, OFSHR should send a copy to OFM/Accounting and Financial Systems, which will begin the assignment cable issuance process. OFSHR should distribute the approved travel order and the assignment cable.

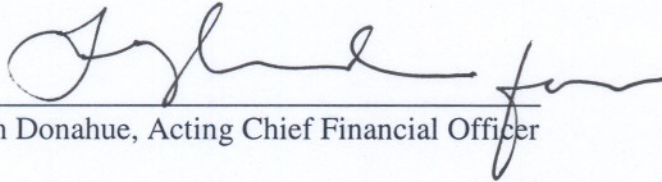
Amendments to the PCS travel order, which affect costs, should be processed in the same manner as the original order, as described above.

Instructions to the servicing Department of State FMO are being handled directly by OFM/Accounting and Financial Systems.

If you have questions, or need additional information, please contact Leslie Hyland at 202-482-5598 or at [Leslie.Hyland@mail.doc.gov](mailto:Leslie.Hyland@mail.doc.gov).

Attachment

Cleared:

  
Jim Donahue, Acting Chief Financial Officer